



EUROPEAN COMMISSION  
Impact Assessment Board

Brussels,  
D(2012)

**Opinion**

**Title**                    **DG INFSO - Harmonisation of the paired frequency bands 1920-1980 MHz and 2110-2170 MHz for terrestrial systems capable of providing electronic communication services in the European Union**  
**(draft version of 10 May 2012)**

**(A) Context**

The Radio Spectrum Decision (676/2002/EC) adopted in 2002 provides the legal basis to harmonise at European level the use of certain frequency bands for a specific application, which limits their use. Radio spectrum policy and management, as they apply to electronic communications, are dealt with by the Framework Directive 2002/21/EC and the Authorisation Directive 2002/20/EC, amended by Directive 2009/140/EC. The Framework Directive foresees liberalisation through the introduction of the requirements of technology and service neutrality of rights of use granted for electronic communication services, at the latest by 25 May 2016. However, the Framework Directive leaves it up to the Member State when to implement technology and service neutrality in the timeframe between now and 2016. Furthermore, the Framework Directive does not provide for harmonisation of the technical conditions of such liberalisation. This impact assessment examines the possibility of harmonising conditions for a portion of the 2 GHz band in order to improve its use.

**(B) Overall assessment**

**The report needs to be improved in several respects. Firstly, the problem definition should be strengthened by clarifying the wider policy context and by better differentiating between problems, for instance between liberalisation and technical harmonisation, and by more clearly indicating their underlying drivers. The report should also provide a clearer presentation of the baseline scenario showing clearly what would happen in the absence of any further EU action. Secondly, the report should reinforce the intervention logic by better linking problems, objectives and options, for instance via problem trees/correlation graphs. Thirdly, the report should explain what each option entails in particular by clarifying the available alternatives for liberalisation of these spectrum bands. Fourthly, the report should provide a systematic assessment of the impacts including on stakeholders as well as more detail on the social and environmental impacts. The impacts on competition, SMEs and Member States also need to be better explained. Finally, the report should explain the key issues throughout the impact assessment in a clearer and more straightforward manner, including the presentation of the modelling estimates.**

### **(C) Main recommendations for improvements**

**(1) Strengthen the problem definition and the baseline scenario.** The report should reinforce the problem definition by better explaining what the precise nature of the problems is and who is affected. It should clarify what are the problem drivers and better explain which problems are common to the FDD and TDD bands and which are specific to the one or the other type of bands. It should clarify whether the problems relate to the need for earlier liberalisation and/or the need for technical harmonisation of the relevant spectrum bands. The report should also better describe the context of the planned initiative, for instance, by better explaining what the technology and services neutrality principle implies and by clarifying the role of the CEPT. Finally, it should better present the baseline scenario by clarifying how the current situation would evolve if no further EU action is taken. In that regard, it should clearly indicate where developments are uncertain.

**(2) Establish a clear intervention logic and objectives.** The report should strengthen the intervention logic by clearly connecting the problems and objectives, and by linking the policy options directly to the corresponding objectives. Additional tables or graphs (e.g. a problem tree) would help the reader to better understand these links. The specific objectives themselves should be defined in more concrete and measurable terms.

**(3) Better present the content of the options.** The report should provide a more detailed description of the concrete content of options 2 and 3. The report should, for example, clarify whether these options entail an earlier liberalisation regarding possible band uses, in addition to the harmonisation of the bands' usage parameters. An explanation of how the liberalisation and harmonisation aspects relate to each other would enhance the understanding of the options. The report should also explain how the technical parameters envisaged will be developed. The views of key stakeholders on the different options should be clearly stated. Furthermore, the report should provide a clear justification for discarding certain options, such as the alternatives identified by stakeholders during the consultation.

**(4) Better assess and compare impacts.** The report should rebalance the analysis of impacts by more systematically assessing impacts across the three pillars. In particular, social and environmental impacts should be developed further. The report should also indicate how the identified impacts affect different categories of stakeholders, notably, licence holders, and to what extent. The analysis should also clarify what are the expected impacts on competition, the internal market, SMEs and Member States. The options should be compared against the baseline scenario using a clear set of comparison criteria. They should also be assessed in terms of their effectiveness, efficiency and coherence in achieving the identified objectives. The results of the quantitative analysis should be presented in a way that assists comparison (i.e. tables). Finally, the report should describe the content and advantages of the preferred option in more detail and explain what real difference this option would make.

*Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report*

**(D) Procedure and presentation**

The report should be made more accessible to the reader by improving, in particular, the presentation of the 'problem definition' and 'analysis of impacts' sections, more clearly focussing on the key issues, and by systematically explaining technical terminology. Consistency should be enhanced and contradictions avoided. Endnotes should be moved to the main text as footnotes. References defining a term should be put together into a glossary.

**(E) IAB scrutiny process**

Reference number	2011/INFSO/024
External expertise used	No
Date of IAB meeting	6 June 2012